

February 21, 2007

Mr. Chairman, members of the committee, my name is Doug Walsh, Superintendent of the Ennis School. Thank you for the opportunity to speak with you in regards to HB744. It seems that this type of bill or concern continues to show up on an annual basis, and we would like to be able to offer this solution to this issue. As stated in our testimony on SB291, our concern is the possible erosion of our school tax base that will spill over and harm our neighboring school districts of Alder, Harrison, Sheridan and Twin Bridges. County-wide assessments are made to the transportation and retirement levies in all counties. If our taxable is decreased, it could require all Madison County districts to raise these levies as the overall county-wide school levies would decrease in value, causing a tax increase. So you can see that any loss of territory would have an immediate and damaging effect on all of our schools, but especially the Ennis District. Loss of taxable, as you are all aware, causes taxes to increase in all areas and will increase taxes or reduce services that a school district can offer.

Just for information sake, if our district were to lose 14% of taxable, as we think Bozeman will be losing by allowing this territory transfer, it would be a loss of taxable of 3,167,347.82 to our school district or \$3,167.35/mil. This would ripple throughout the county wide mills, and if we were to keep our budgets as they are today, it would cause a loss of \$292,061.34 in revenue. This is something that our taxpayers and our district would have to raise through increased taxation, if allowed by current school budgeting practices. So you can see that any territory transfer would devastate this district and certainly harm the other schools in the county. This would be ongoing into the future as this taxable would be gone forever and have an effect on the 963, K-12 students in Madison County. With that said, I can not tell you how important this bill is to the Ennis School District and to the other schools of Madison County. Accordingly, we urge the passage of this bill.

FYI: It looks like we are presently paying individual transportation and tuition for eleven students: eight to Ophir and three to Bozeman. These districts also receive the ANB funding for these students.

The Ennis School Board is well aware of the concerns of busing students to and from school as we have students who ride 185 miles each day on one route and other students who ride 136 miles on another bus route. The Ennis School Board and the Board of any newly formed K-12 school are the two entities who know what is best for students in both of these districts, as we deal with these and other issues on a daily basis. We also feel that this legislation will assure both entities a workable solution to any issues that may arise in future years.

The Chairman of the Ophir School has written the Ennis School a letter (letter attached) indicating that they are not interested in territory transfer from the Ennis School. This is a nice gesture and one that we appreciate, but it does not assure the Ennis District that a newly formed K-12 Big Sky School would honor this request as the board for the newly formed school district would be different from the present Ophir School Board. After the original hearing on SB291 Big Sky and its lobbyist said they were willing to do what needed to be done to assure that all district boundaries were and will remain intact. Since this time nothing has been done to allow for any additional language from the Ennis School District to assure all parties involved that this can and will be completed to everyone's satisfaction. If an agreement can and is worked out on this bill, the Ennis School and Madison County will support the formation of a K-12 district in this area. We hope you can see that we are understandably anxious about this issue and hope to work this issue out for the betterment of the children and grandchildren of all areas concerned.

We will not oppose the formation of this K-12 school district, as it looks as if Bozeman and Ophir are in favor of this formation of a new K-12 school district, if we are allowed to assist in protecting all concerned in this matter. What we are attempting to do is to find some common ground to protect this new school district and the Ennis School from any territory transfer in this area from either side. This legislation could assist others around the state who might be in or end up in this type of a predicament. This is not only a school issue, but because of funding issues, it becomes a county-wide issue in regards to funding some very basic issues, namely transportation and retirement. SB291 was presented earlier, and these lobbyists for the Big Sky wanted to collaborate with us to assure smooth sailing of this legislation. Since this hearing we have not been included in any manner whatsoever to assist, add or subtract from SB291. We are hoping that this bill will assist in a smooth transition into law and will help not only the schools involved but for future stability in these matters throughout this great state of ours.

We are asking that you help not only the Ennis but the other schools of Madison County as well, by protecting all concerned from what could be a disastrous chain of events if this bill is not passed. Big Sky is responsible for 50.5% of these county-wide funds raised in the Madison County, in other words, for every \$100 in taxes raised in this county \$50.50 comes from taxes raised in Big Sky. 76.5% of all county taxable comes from the Ennis School District, which includes the Big Sky area. We must be able to protect our school district and the other districts of the county from the possibility of territory transfer that would have such an immediate and lasting effect on the taxpayers of this county. \$76.50 out of every \$100.00 raised in county-wide mills is raised in the Ennis District. Reduce this by territory transfers and you can see the effect it will have on each district of the Madison County.